
HOUSE BILL No. 1356

DIGEST OF INTRODUCED BILL

Citations Affected: IC 24-8.

Synopsis: Sweepstakes regulation. Adds sweepstakes, contests, and prize giveaways to the definition of "promotion" for purposes of the law regulating promotional gifts and contests. Requires disclaimers of actual winning odds for promotions that make certain representations to the person receiving the promotion. Provides for disclaimer statements for promotions that do not require a purchase. Provides for disclaimer statements for promotions for which a purchase does not increase the likelihood of winning. Repeals a provision exempting certain types of promotions from certain notice requirements.

Effective: July 1, 2001.

Duncan

January 11, 2001, read first time and referred to Committee on Public Policy, Ethics and Veterans Affairs.

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Introduced

First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

HOUSE BILL No. 1356

A BILL FOR AN ACT to amend the Indiana Code concerning promotional gifts and contests.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 24-8-2-5 IS AMENDED TO READ AS FOLLOWS
2 [EFFECTIVE JULY 1, 2001]: Sec. 5. "Promotion" means a written
3 notice offering:

4 (1) property; or
5 (2) a chance to obtain property;
6 to a person based on a representation that the person has been awarded
7 or may have been awarded a prize, **and includes sweepstakes,**
8 **contests, and prize giveaways.**

9 SECTION 2. IC 24-8-3-5.5 IS ADDED TO THE INDIANA CODE
10 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
11 1, 2001]: **Sec. 5.5. (a) If a promotion represents that the person:**

12 **(1) is a winner;**
13 **(2) is a finalist;**
14 **(3) has been specially selected;**
15 **(4) is in "first place"; or**
16 **(5) is otherwise among a limited group of persons with an**
17 **enhanced likelihood of receiving a prize;**

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1 the written prize notice must contain a statement of the maximum
2 number of persons described in subdivision (1), (2), (3), (4), or (5).

3 (b) The statement required under subsection (a) must be in at
4 least 10 point boldface contrasting color type on the first page of
5 the promotion.

6 SECTION 3. IC 24-8-3-7.5 IS ADDED TO THE INDIANA CODE
7 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
8 1, 2001]: Sec. 7.5. (a) If a promotion offers a prize for which the
9 purchase of goods or services is not necessary, the first page of the
10 notice must clearly state that purchase is not necessary.

11 (b) Disclosure must be made by using the following statement:
12 "No purchase is necessary to enter this promotion."

13 (c) The disclosure statement must be in at least 10 point
14 boldface contrasting color type.

15 SECTION 4. IC 24-8-3-7.6 IS ADDED TO THE INDIANA CODE
16 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
17 1, 2001]: Sec. 7.6. (a) If a promotion offers a prize for which the
18 purchase of goods or services does not enhance the likelihood of
19 receiving a prize, the first page of the notice must clearly state that
20 a purchase does not enhance the likelihood of receiving a prize.

21 (b) Disclosure must be made by using the following statement:
22 "A purchase does not increase your chance of winning."

23 (c) The disclosure statement must be in at least 10 point
24 boldface contrasting color type.

25 SECTION 5. IC 24-8-3-10 IS REPEALED [EFFECTIVE JULY 1,
26 2001].

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